

CLEARY GOTTLIEB STEEN & HAMILTON LLP  
One Liberty Plaza  
New York, NY 10006  
Telephone: (212) 225 2000  
Facsimile: (212) 225 3999  
Sean A. O’Neal, Esq.  
Luke A. Barefoot, Esq.

*Attorneys for Transform Holdco LLC*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	
	:	Chapter 11
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	:	
	:	Case No. 18-23538 (RDD)
	:	
Debtors. <sup>1</sup>	:	(Jointly Administered)
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**NOTICE OF ASSUMPTION AND ASSIGNMENT OF ADDITIONAL  
DESIGNATABLE LEASES**

**PLEASE TAKE NOTICE OF THE FOLLOWING:**

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRE Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

1. Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), filed a motion, dated November 1, 2018 (ECF No. 429) (the “Sale Motion”) seeking, among other things, the entry of an order pursuant to sections 105, 363 and 365 of the United States Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”), Rules 2002, 6004, 6006, 9007, and 9008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 6004-1, 6005-1 and 6006-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”), authorizing and approving the sale of the Acquired Assets and the assumption and assignment of certain executory contracts and unexpired leases of the Debtors in connection therewith.

2. On January 18, 2019, the Debtors filed and served on the applicable counterparties the *Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 1731) (the “Initial Notice”).

3. On January 23, 2019, the Debtors filed and served on the applicable counterparties the *Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 1774) (the “Supplemental Notice”).

4. On January 31, 2019, the Debtors filed and served on the applicable counterparties the *Second Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 2314) (the “Second Supplemental Notice”).

5. On March 5, 2019, the Debtors filed and served on the applicable counterparties the *Third Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 2753) (the “Third Supplemental Notice”).

6. On March 29, 2019, the Debtors filed and served on the applicable counterparties the *Fourth Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 2995) (the “Fourth Supplemental Notice”).

7. On April 9, 2019, the Debtors filed and served on the applicable counterparties the *Fifth Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 3097) (the “Fifth Supplemental Notice”).

8. On April 11, 2019, the Debtors filed and served on the applicable counterparties the *Sixth Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 3152) (the “Sixth Supplemental Notice”).

9. On April 23, 2019, the Debtors filed and served on the applicable counterparties the *Seventh Supplemental Notice of Cure Costs and Potential Assumption and Assignment of*

*Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 3330) (the “Seventh Supplemental Notice” and together with the Initial Notice, the Supplemental Notice, the Second Supplemental Notice, the Third Supplemental Notice, the Fourth Supplemental Notice, the Fifth Supplemental Notice, and the Sixth Supplemental Notice, the “Assumption and Assignment Notices”).

10. On February 8, 2019, the *Order (I) Approving the Asset Purchase Agreement Among Sellers and Buyer, (II) Authorizing the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts, and Leases in Connection Therewith, and (IV) Granting Related Relief* (the “Sale Order”) (ECF No. 2507)<sup>2</sup> was entered by the Court.

11. In accordance with the terms of the Sale Order, Buyer may designate Additional Contracts and Designatable Leases (collectively, the “Additional Assigned Agreements”) for assumption and assignment for up to sixty (60) days after the Closing Date (the “Designation Rights Period”), which occurred on February 11, 2019. The Debtors and Buyer agreed to an extension of the Designation Rights Period and, on April 12, 2019, the Debtors filed the *Notice of Amendment to Asset Purchase Agreement Extending Certain Deadlines* (the “Extension Notice”) (ECF No. 3171), which extended the Designation Rights Period to May 3, 2019 for certain Designatable Leases and to May 13, 2019 for Additional Contracts.

12. On April 2, 2019, the Court entered its the *Order (I) Authorizing Assumption and Assignment of Certain Executory Contracts and Leases and (II) Granting Related Relief* (the “Assumption and Assignment Order”) (ECF No. 3008).

13. Paragraphs 26 and 27 of the Assumption and Assignment Order establish a noticing procedure for assumption and assignment of Additional Assigned Agreements.

14. In accordance with the Sale Order and the Assumption and Assignment Order, Buyer has designated for assumption and assignment certain Additional Assigned Agreements, which are listed on **Exhibit 1** hereto (the “Additional Designatable Leases”). The Buyer, or an affiliated entity, shall be the relevant Assignee for each Additional Designatable Lease.

15. Each of the Additional Designatable Leases listed on **Exhibit 1** was listed on an Assumption and Assignment Notice that was previously filed with the Bankruptcy Court and served on the applicable Counterparty, and all objection periods related to such Assumption and Assignment Notice have expired.

16. All Additional Designatable Leases listed in **Exhibit 1** shall be deemed to include any and all applicable supplements, amendments, and/or addenda. With respect to Additional Designatable Leases that are among two or more Debtors, if any, this notice shall serve as notice of the assumption and assignment of the interests of each such Debtor (as lessee or lessor, as applicable) in such Additional Designatable Lease.

17. For a subset of the Additional Designatable Leases, the cure amount asserted in the applicable Assumption and Assignment Notice was inaccurate and a revised cure amount is listed

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<sup>2</sup> Capitalized terms used but not defined herein have the meanings ascribed to them in the Sale Order.

in **Exhibit 1**. Such Additional Designatable Leases are denoted with an asterisk (\*). If a counterparty to an Additional Designatable Lease denoted with an asterisk has not otherwise properly filed and served a Cure Objection, permitting a Supplemental Cure Objection (as defined below), such counterparty shall, notwithstanding anything in the Assumption and Assignment Order, Sale Order or otherwise, file and serve any objections (the “Revised Cure Objections”) in accordance with the Amended Order Implementing Certain Notice and Case Management Procedures, entered on November 1, 2018 (ECF No. 405) (the “Amended Case Management Procedures”) so as to be filed and received by no later than May 3, 2019 at 11:30 a.m. (Eastern Time) (the “Objection Deadline”). If no such Revised Cure Objection is properly filed and served, then the counterparty shall be forever barred from asserting any objection with regard to the amount to cure any default under the applicable Additional Designatable Lease; the Cure costs set forth in **Exhibit 1** shall be controlling and the only amount necessary to cure outstanding defaults under the applicable Additional Designatable Lease under section 365(b) of the Bankruptcy Code, notwithstanding anything to the contrary in the Additional Designatable Lease or any other document; and the applicable counterparty shall be forever barred from asserting any additional cure or other amounts with respect to such Additional Designatable Lease against the Debtors, the Buyer, or the property of any of them.

18. To the extent a counterparty to an Additional Assigned Agreement properly filed and served a Cure Objection, and to the extent such counterparty is entitled to assert an additional objection to cure costs or assumption and assignment that could not have been raised in its prior objection, in accordance with paragraph 34 of the Sale Order and paragraph 26 of the Assumption and Assignment Order, such counterparty shall file and serve such objection (a “Supplemental Cure Objection”) in accordance with the Amended Case Management Procedures so as to be filed and received no later than the Objection Deadline.

19. If a Cure Objection, Revised Cure Objection or Supplemental Cure Objection has been timely filed and served with respect to an Additional Designatable Lease listed on **Exhibit 1**, the lease that is the subject of such objection may be removed from the list of Additional Designatable Leases listed on **Exhibit 1** at any time prior to the Assumption Effective Date for such Additional Designatable Lease as determined in accordance with paragraph 27 of the Assumption and Assignment Order, or to the extent it remains unresolved, such Cure Objection, Revised Cure Objection or Supplemental Cure Objection shall be set for a hearing (the “Hearing”) before the Honorable Robert D. Drain, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, Courtroom 118, 300 Quarropas Street, White Plains, New York, 10601-4140 (the “Bankruptcy Court”) on a date to be announced.

20. In the event that a timely Cure Objection, Revised Cure Objection or Supplemental Cure Objection is not filed, or is otherwise withdrawn or resolved, the Assumption Effective Date for any such Additional Designatable Lease shall be the Objection Deadline.

Dated: April 25, 2019  
New York, New York

/s/ **Luke A. Barefoot**

CLEARY GOTTlieb STEEN & HAMILTON LLP  
One Liberty Plaza  
New York, NY 10006  
Telephone: (212) 225-2000  
Facsimile: (212) 225-3999  
Sean A. O'Neal, Esq.  
Luke A. Barefoot, Esq.

*Attorneys for Transform Holdco LLC*

**Exhibit 1: Additional Designatable Leases<sup>4</sup>**

Store #	RE ID	Property Group	City	State/ Province	Store Address	Counterparty	Contract Name	Proposed Cure Amount	Counterparty's Asserted Cure Amount	Disputed Amount	Assignee
447	44703	Non-retail	GARLAND	TX	1602 KINGS RD	Elm Creek Real Estate, LLC	Lease	\$0.00	\$256,421.07 <sup>(1)</sup>	\$256,421.07 <sup>(1)</sup>	Transform Distribution Center Holdco LLC
447	44704	Non-retail	GARLAND	TX	2850 MARQUIS DR.	Elm Creek Real Estate, LLC	Lease	\$0.00	\$256,421.07 <sup>(1)</sup>	\$256,421.07 <sup>(1)</sup>	Transform Distribution Center Holdco LLC
1048	104804	Open Store	PASADENA	CA	3801 E FOOTHILL BLVD	FR Hastings Ranch, LLC	GL	\$0.00*	Objection Filed - Cure Amount Not Specified	N/A	Transform Operating Stores LLC
1125	112503	Open Store	MIAMI	FL	3655 SW 22ND ST	Coral Way Associates Ltd.	GL	\$10,117	N/A	N/A	Transform Operating Stores LLC
1149	114903	Open Store	WHITTIER	CA	15600 WHITTWOOD LN	Sears Development Co.	Lease	\$0.00	N/A	N/A	Transform Operating Stores LLC
1309	130903	Open Store	DOWNEY	CA	500 STONEWOOD ST	Sears Development Co.	Lease	\$0.00	N/A	N/A	Transform Operating Stores LLC
1368	136804	Open Store	CONCORD	CA	1001 SUNVALLEY BLVD	Taubman	Lease	\$0.00	N/A	N/A	Transform Operating Stores LLC
1368	136803	Open Store	CONCORD	CA	1001 SUNVALLEY BLVD	Macy's Department Stores	Lease	\$4,114	\$4,114	\$0.00	Transform Operating Stores LLC
1915	191503	Open Store	Bayamon	PR	Avenida Aguas Buenas (12,485 SF inline space)	Santa Rosa Mall LLC	Lease	\$0.00	N/A	N/A	Transform Operating Stores LLC
3972	397203	Open Store	ST CROIX	VI	SUNNY ISLE S/C	Sunny Isle Developers LLC	Lease	\$0.00	N/A	N/A	Transform Operating Stores LLC
4399	439903	Open Store	SILVER SPRING	MD	14014 CONNECTICUT AVE	Charles S Faller Jr & Robert V Viner	GL	\$0.00	N/A	N/A	Transform Operating Stores LLC
4706	470603	Closed Store	RIVERSIDE	CA	573 EAST ALEXANDER BLVD	Mission Grove Plaza, L.P.	GL	\$0.00	N/A	N/A	Transform Leaseco LLC
9153	915304	Open Store	SOUTH LAKE TAHOE	CA	1056 EMERALD BAY RD	California Tahoe Conservatory	Lease	\$0.00	N/A	N/A	Transform Operating Stores LLC
30941	3094103	Closed Store	Sioux Falls	SD	3709 East 10Th Street	Zeisler Morgan	GL	\$25,667.00	N/A	N/A	Transform Leaseco LLC
49011	4901103	Non-retail	TUCSON	AZ	4686 S BUTTERFIELD DR	Butterfield Tech Center LLC / Foodtown Dev. LLC	Lease	\$0.00	N/A	N/A	Transform SHS Properties LLC
1598 / 26720	2672004	Closed Store	City Of Industry	CA	100 S PUENTE HILLS MALL	Newage PHM, LLC	Lease	\$0.00	N/A	N/A	TF City of Industry CA LLC
8722	872200	Non-retail	Anchorage (SUR)	AK	5900 Old Seward Highway	Seritage	Lease	\$0.00	N/A	N/A	Transform Distribution Cetner Holdco LLC
9944	994400	Retail (Other)	Baltimore	MD	8200 BELAIR RD	WHITE MARSH DINNER	GL	\$0.00	N/A	N/A	Transform Leaseco LLC
9944	994400	Retail (Other)	Baltimore	MD	8200 BELAIR RD	SEARS HOMETOWN AND OUTLET STORES, INC.	Sub Lease	\$0.00*	N/A	N/A	Transform Leaseco LLC
2329	232902	Non-retail	Kennewick(Pasco)	WA	1661 B Fowler St	Richland State Professional Building LLC	Lease	\$0.00	N/A	N/A	Transform Innovel Properties LLC
30938	3093800	Closed Store	Glendale	AZ	16300 Harlem	WGA-Glendale, Inc	Lease	\$0.00	N/A	N/A	Transform Leaseco LLC
1935	193500	Open Store	Mayaguez	Puerto Rico	975 Hostos Ave Ste 110 (58,000 SF Furniture Plaza)	De Desarrillo, Inc.	Lease	\$0.00	N/A	N/A	Transform Operating Stores LLC
1945	194502	Non-Retail	Ponce	Puerto Rico	Plaza Del Caribe 2050 (Rd 2)	Puerto Rico Export	Lease	\$0.00	N/A	N/A	Transform Operating Stores LLC
30938	N/A	N/A	Glendale	Arizona	6767 West Bell Road	1. GFI - c/o Walt Gasser & Associates 2. WGA-Glendale, Inc.	Recognition Agreement <sup>(2)</sup>	\$0.00	N/A	N/A	Transform Leaseco LLC
30969	N/A	N/A	San Leandro	California	250 Floresta Blvd	1. Ralph Dayan 2. Living Spaces	Recognition Agreement <sup>(2)</sup>	\$0.00	N/A	N/A	Transform Leaseco LLC
1283	N/A	N/A	Braintree	Massachusetts	250 Granite St.	1. Simon 2. Primark	Non-Disturbance Agreement <sup>(2)</sup>	\$0.00	N/A	N/A	Transform Operating Stores LLC

<sup>(1)</sup> Represents full asserted cure cost across several leases.

<sup>(2)</sup> These agreements were previously noticed for assumption as supplements to the related sublease and/or lease, but are included here for the avoidance of doubt at the request of certain counterparties to such agreements

**Macerich Master Lease<sup>(3)</sup>**

Store #	RE ID	Property Group	City	State/ Province	Store Address	Counterparty	Contract Name	Proposed Cure Amount	Counterparty's Asserted Cure Amount	Disputed Amount	Assignee
1204	120400	Open Store	Freehold	New Jersey	3710 US Hwy 9 Ste 1100	Seritage / Macerich JV	Master Lease <sup>(3)</sup>	\$61,371.00	Objection Filed - Cure Amount Not Specified	N/A	Transform Midco LLC
1303	130300	Open Store	Danbury	Connecticut	7 Backus Ave (Ex 3 Rt 84)	Seritage / Macerich JV	Master Lease <sup>(3)</sup>	\$92,179.00	\$105,016.42	\$12,837.42	Transform Midco LLC
1798	179800	Open Store	Glendale	Arizona	7780 W Arrowhead Towne Ctr	Seritage / Macerich JV	Master Lease <sup>(3)</sup>	\$106,242.00	\$110,912.06	\$4,670.06	Transform Midco LLC
1169	116900	Closed Store	Chandler	Arizona	3177 Chandler Village Dr	Seritage / Macerich JV	Master Lease <sup>(3)</sup>	\$120,320.90	Objection Filed - Cure Amount Not Specified	N/A	Transform Midco LLC
1518	151800	Closed Store	Cerritos	California	100 Los Cerritos Mall	Seritage / Macerich JV	Master Lease <sup>(3)</sup>	\$235,925.15	Objection Filed - Cure Amount Not Specified	N/A	Transform Midco LLC
1618	161800	Closed Store	Modesto	California	100 Vintage Faire Mall	Seritage / Macerich JV	Master Lease <sup>(3)</sup>	\$130,475.85	Objection Filed - Cure Amount Not Specified	N/A	Transform Midco LLC
1464	146400	Closed Store	Deptford	New Jersey	1750 Deptford Cener Rd	Seritage / Macerich JV	Master Lease <sup>(3)</sup>	\$166,779.55	Objection Filed - Cure Amount Not Specified	N/A	Transform Midco LLC
1079	107900	Closed Store	Washington Sq	Oregon	9800 Sw Washington Square Rd	Seritage / Macerich JV	Master Lease <sup>(2)</sup>	\$197,585.96	Objection Filed - Cure Amount Not Specified	N/A	Transform Midco LLC
1247	124700	Closed Store	Lubbock	Texas	6002 Slide Rd	Seritage / Macerich JV	Master Lease <sup>(3)</sup>	\$128,035.50	Objection Filed - Cure Amount Not Specified	N/A	Transform Midco LLC

<sup>(3)</sup> All of the properties listed in this table together comprise a single master lease.

<sup>(4)</sup> All Additional Designatable Leases listed in Exhibit 1 shall be deemed to include any and all applicable supplements, amendments, and/or addenda.